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DD/S 68-1067

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1 March 1968

MEMORANDUM FOR THE RECORD

SUBJECT: Project [REDACTED]

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1. Generated by an oral proposal from Mr. [REDACTED] that Project [REDACTED] (prospectus attached) be transferred from CI Staff to the Office of Training, a meeting to discuss the proposition's feasibility was held in the office of the DD/S on 1 March. Attending were Messrs. Bannerman, Coffey, Richardson, [REDACTED] and [REDACTED]

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Background

2. [REDACTED] patron, will be retiring 30 April and has proposed three alternatives to the DD/P in reference to the project's future in view of a deteriorating situation in FY 1968 due to [REDACTED] appropriation reduction and because of considerably less business than previously estimated in support of Agency activities. The alternatives are: (1) Retain the Project in its present status at minimum cost and staffing; (2) Transfer the Project to OTR with the possibility there would be more utilization for [REDACTED] purposes; or, (3) Close out the Project because it apparently is not providing sufficient support to the Clandestine Services. The DD/P returned the memorandum to C/CI Staff asking him to discuss a possible transfer with OTR.

Discussion

3. Mr. Richardson stated that members of his staff -- in their conversations with the Project's financial adviser, Mr. [REDACTED] and after an inspection of Project files -- determined that, despite hopes and efforts of CI Staff to make the Project more useful and valuable to the CS and despite a Book Dispatch from the DD/P to all field stations in late 1966 encouraging use of the Project as a potential agent asset, these plantings have not borne fruit. Moreover, with an admitted deterioration thus far in FY 1968, no one can predict how much further [REDACTED] will be reduced, how much more [REDACTED] or how much greater Agency funding would have to be increased in the future.

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Conclusions

4. Mr. Richardson recommended that the DD/S not accept transfer of Project [REDACTED] for the following reasons:

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b. If the Clandestine Services are having difficulty in promoting efficient use of this project -- one of their own -- then OTR would presumably find itself in the peculiar position of promoting [REDACTED] programs to those same Agency elements which have already demonstrated an apathy.

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d. If the Project continues its decline (even continuation in its present form indicates a funding struggle) then OTR, or the Support Directorate, would be faced with the problem of liqui-

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5. Mr. Bannerman asked Mr. Coffey to communicate with Mr. [REDACTED] and indicate DD/S's declination of the Project transfer proposal

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Chief, Plans & Management, OTR

Att.

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Next 3 Page(s) In Document Exempt

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